

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----X
In re:

W.R. GRACE & CO.-CONN.

Debtors.

| Chapter 11

| Case No. 01-01140

-----X Claim No. 9553

NOTICE OF TRANSFER OF CLAIM PURSUANT TO FRBP RULE 3001(e)(2)

To: (Transferor)

National Union Fire Insurance Company Pittsburg, PA
70 Pine Street
New York, NY 10270
Attn: James J. Murphy

The transfer of your claim as shown above, in the amount of \$9,806,018.00 has been transferred (unless previously expunged by court order) to:

LONGACRE MASTER FUND, LTD.

Transferor: National Union Fire Insurance Company Pittsburg, PA
810 Seventh Avenue, 22nd Floor
New York, NY 10019
Attn: Vladimir Jelisavcic

No action is required if you do not object to the transfer of your claim. However, IF YOU OBJECT TO THE TRANSFER OF YOUR CLAIM, WITHIN 20 DAYS OF THE DATE OF THIS NOTICE, YOU MUST:

- FILE A WRITTEN OBJECTION TO THE TRANSFER with:

United States Bankruptcy Court
District of Delaware
824 Market Street, Room 525
Wilmington, DE 19801

- SEND A COPY OF YOUR OBJECTION TO THE TRANSFEREE.

Refer to INTERNAL CONTROL No. ____ in your objection. If you file an objection, a hearing will be scheduled. IF YOUR OBJECTION IS NOT TIMELY FILED, THE TRANSFEREE WILL BE SUBSTITUTED ON OUR RECORDS AS THE CLAIMANT.

Intake Clerk

FOR CLERK'S OFFICE USE ONLY:

This notice was mailed to the first named party, by first class mail, post prepaid on ____, 2006.

INTERNAL CONTROL NO. _____

Claims Agent Noticed: (Name of Outside Agent)

Copy to Transferee: _____

Deputy Clerk

EVIDENCE OF TRANSFER OF CLAIM

Exhibit B

TO: United States Bankruptcy Court ("Bankruptcy Court")
District of Delaware
824 Market St., Room 525
Wilmington, DE 19801
Attn: Clerk

AND TO: W.R. GRACE & CO.-CONN., ("Debtor")
Case No. 01-01140

Claim # 9553

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURG, PA., its successors and assigns ("Seller"), for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, does hereby unconditionally and irrevocably sell, transfer and assign unto:

LONGACRE MASTER FUND, LTD.
c/o U.S. Bank National Association
Corporate Trust Services
1420 Fifth Avenue, 7th Floor
Seattle, Washington 98101
Attn: Kyle J Lunde

its successors and assigns ("Buyer"), all rights, title and interest in and to the claim of Seller, including all rights of stoppage in transit, replevin and reclamation, in the principal amount of \$9,806,018.00 ("Claim") against the Debtor in the Bankruptcy Court, or any other court with jurisdiction over the bankruptcy proceedings of the Debtor.

Seller hereby waives any objection to the transfer of the Claim to Buyer on the books and records of the Debtor and the Bankruptcy Court, and hereby waives to the fullest extent permitted by law any notice or right to a hearing as may be imposed by Rule 3001 of the Federal Rules of Bankruptcy Procedure, the Bankruptcy Code, applicable local bankruptcy rules or applicable law. Seller acknowledges, understands and agrees, and hereby stipulates that an order of the Bankruptcy Court may be entered without further notice to Seller transferring to Buyer the Claim and recognizing the Buyer as the sole owner and holder of the Claim.

You are hereby directed to make all future payments and distributions, and to give all notices and other communications, in respect of the Claim to Buyer.

IN WITNESS WHEREOF, the undersigned has duly executed this Evidence of Transfer of Claim by its duly authorized representative dated December 13, 2007.

NATIONAL UNION FIRE INSURANCE
COMPANY OF PITTSBURG, PA

LONGACRE MASTER FUND, LTD.

By: /s/ James J. Murphy
Name: James J. Murphy
Title: Authorized Representative

By: /s/ Steven S. Weissman
Name: Steven S. Weissman
Title: Director

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
)	
W. R. GRACE & CO., et al.)	Chapter 11
)	
Debtors.)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
)	
W. R. GRACE & CO.-CONN.,)	
)	
Plaintiff,)	Adversary No. 02-01657
)	
NATIONAL UNION FIRE INSURANCE)	
COMPANY OF PITTSBURGH, PA.)	
)	Hearing: December 17, 2007, 2:00 p.m.
Defendant, Third Party and)	Agenda Item No. _____
Joinder Plaintiff)	
)	
REAUD, MORGAN & QUINN, INC. and)	Re: Docket Nos. 58, 106, 107, <u>112, 114</u>
ENVIRONMENTAL LITIGATION GROUP, P.C.,)	
)	
Third-Party and Joinder)	
Defendants)	

ORDER AUTHORIZING DEBTORS' SETTLEMENT WITH NATIONAL UNION AND CLAIMANTS

Upon consideration of the "*Debtors' Motion for an Order Authorizing Settlement with National Union and Claimants*" (the "Motion"); and due and proper notice of the Motion having been given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors,¹ their estates and creditors, it is hereby

ORDERED that the Motion is granted; and it is further

¹ Capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

ORDERED that the Debtors are hereby authorized to perform their obligations under the Agreement; and it is further

ORDERED that National Union Claim No. 9553 is allowed in the sums provided for in the Agreement; and it is further

ORDERED that the Claimants' Claims Nos. 103, 104, 13945, 13954, 14036 and 14053 are disallowed and expunged for all purposes; and it is further

ORDERED that upon payment by National Union of the Payment Amount, this Adversary Proceeding shall be dismissed; and it is further

ORDERED that the Debtors are authorized to take whatever other actions may be necessary to consummate the transactions contemplated by the Agreement; and it is further

ORDERED that the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of this Order; and it is further

ORDERED that this Order is effective immediately upon its entry.

Dated: December 4, 2007


Honorable Judith K. Fitzgerald
U. S. Bankruptcy Judge